

RESOLUTION NO. 24-1996

**A RESOLUTION OF THE CITY OF MILWAUKIE, OREGON,
AUTHORIZING THE REDEMPTION OF BONDS AND AUTHORIZING
THE ELIMINATION OF THE IMPROVEMENT BOND SINKING FUND.**

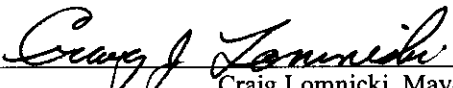
The City of Milwaukie, Oregon (the "City") finds as follows:

- A.** The City issued its General Obligation Improvement Bonds, Series 1986, dated October 1, 1986 in the amount of One Hundred Eighty-Two Thousand Four Hundred Twenty-Three Dollars (\$182,423.00) (the "1986 Bonds"). The Bonds mature in various amounts from October 1, 1987 through October 1, 2001 and are subject to early call and redemption on October 1, 1996.
- B.** The City maintains an Improvement Bond Sinking Fund which contains funds in excess of the amount necessary to redeem the 1986 Bonds.
- C.** The City has no other outstanding bonds issued pursuant to O. R. S. 223.205 et seq., the Bancroft Bonding Act, and there will be no need to maintain the Improvement Bond Sinking Fund after the 1986 Bonds are redeemed.

NOW, THEREFORE, BE IT RESOLVED by the City as follows:

- 1. Redemption.** The Finance Director is authorized and directed to provide notice of redemption of the City's 1986 Bonds to First Trust Washington, the City's paying agent and to cause publication of such notice to be made in the *Daily Journal of Commerce*, a financial newspaper published to the City of Portland, in substantially the form attached hereto as Exhibit A.
- 2. Funding of Redemption.** The Finance Director is authorized and directed to deposit sufficient funds with the paying agent and to enter into such agreements with the paying agent as required to redeem the 1986 Bonds On October 1, 1986.
- 3. Elimination of Fund.** Upon deposit of sufficient moneys as required pursuant to Section 2 hereof, the necessity for maintaining the Improvement Bond Sinking Fund shall cease and any balance remaining therein shall be transferred to the General Fund, such transfer to be effective June 30, 1996.

Introduced and adopted by the City Council of the City of Milwaukie, Oregon on June 18, 1996.


Craig Lomnicki, Mayor

ATTEST:


Pat DuVal, City Recorder

APPROVED AS TO FORM:

O'DONNELL, RAMIS, CREW, CORRIGAN & BACHRACH

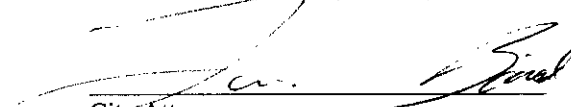

City Attorney

Exhibit "A"

Notice of Redemption
General Obligation Improvement Bonds, Series 1986

NOTICE IS HEREBY GIVEN that the City of Milwaukie, Oregon has called for redemption on October 1, 1996, all of its then outstanding General Obligation Improvement Bonds, Series 1986 (the "Bonds"),

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus interest accrued to October 1, 1986. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of

First Trust Washington
1000 S.W. Broadway, Suite 1750
Portland, OR 97205-3069

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on October 1, 1996.

The following Bonds are being redeemed:

<u>Principal Amnt</u>	<u>Date of Maturity (Oct. 1)</u>	<u>CUSIP Number</u>	<u>Interest Rate</u>
\$ 10,000	1997	6024533DP4	6.30 %
\$ 10,000	1998	6024533DQ2	6.40 %
\$ 10,000	1999	6024533DR0	6.50 %
\$ 10,000	2000	6024533DS8	6.60 %
\$ 10,000	2001	6024533DT6	6.70 %

By Order of City of Milwaukie

First Trust Washington, as Paying Agent

Dated-_____

Under the Interest and Dividend Tax Compliance Act of 1983, payor may be required to withhold 31% of the redemption price from any Bondowner who fails to provide to payor and certify under penalties of perjury, a correct taxpayer identifying number (employer identification number or social security number, as appropriate) or an exemption certificate on or before the date the Bonds are presented for payment. Bondowners who wish to avoid the application of these provisions should submit a completed Form W-9 when presenting their Bonds.